
Tobin & Co.

Cleveland Township

Leelanau County, Michigan

Audit Report

For the Year Ended March 31, 2004

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

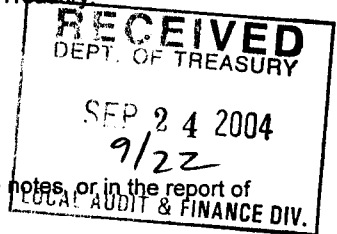
Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Cleveland Township	County Leelanau
Audit Date 3/31/04	Opinion Date 9/13/04	Date Accountant Report Submitted to State: 9/21/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations



You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	X		
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) Tobin & Co., P.C.			
Street Address 400 E. Eighth St.	City Traverse City	State MI	ZIP 49686
Accountant Signature <i>John D. Tobin CPA</i>		Date 9/20/04	

Tobin & Co.

Table of Contents

INTRODUCTORY SECTION

Comments and Recommendations	4 - 5
------------------------------	-------

FINANCIAL SECTION

Accountant's Report	7
---------------------	---

General Purpose Financial Statements:

Exhibit

A - Combined Balance Sheet – All Fund Types and Account Groups	8
----------------------------------------------------------------	---

B - Combined Statement of Revenues, Expenditures and Changes in Fund Balance – All Governmental Fund Types	9
------------------------------------------------------------------------------------------------------------	---

C - Combined Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund and Road Fund	10
-------------------------------------------------------------------------------------------------------------------------------	----

Notes to Financial Statements	11 - 17
-------------------------------	---------

SUPPLEMENTAL DATA SECTION

Schedules

1 - <u>General Fund</u> Statement of Revenues, Expenditures and Changes in Fund Balance	19 - 23
--------------------------------------------------------------------------------------------	---------

2 - <u>Current Tax Collections Fund</u> Statement of Changes in Assets and Liabilities	24
-------------------------------------------------------------------------------------------	----

3 - <u>Other Data</u> 2003 Property Tax Levy and Collection	25
4 - Statement of Revenues and Expenditures – Property Tax Administration Fees	26

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INTRODUCTORY SECTION

Tobin & Co.

Comments and Recommendations

We have audited the general purpose financial statements of Cleveland Township, Leelanau County, for the year ended March 31, 2004 and have issued our report thereon. As part of our examination, we made a study and evaluation of the Township's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing and extent of the auditing procedures necessary for expressing an opinion on the Township's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

Our study and evaluation made for the limited purpose described above would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal control of Cleveland Township taken as a whole. As a result of our examination, we respectfully submit the following comments and recommendations.

General

Records of the Clerk and Treasurer were maintained in acceptable order. Recorded revenues were deposited timely and intact, and bank accounts were reconciled in a timely manner. The general ledger appeared to be properly posted with one exception. The certificates of deposit should be accounted for separately in the general ledger, and interest earned should be posted to those accounts monthly. Presently, the interest earned on the certificates is not posted until the end of the fiscal year or at the time of the audit. Efforts of these officials are commendable.

The Clerk should consider keeping the general ledger on a computer program. If she so decides, we would be pleased to assist her in this endeavor. Such a change could substantially reduce her efforts in the record keeping process.

Budgets and Procedures

We were pleased to note that the General Fund budgets were properly adopted. However, four funds or cost centers exceeded the expenditure budgets (the Elections cost center had no budget approved); this is a violation of Michigan law. In the future, more care must be taken to assure that budgeted amounts are not exceeded by expenditures.

The Township Board minutes indicate that salaries were approved; the amount of the salaries should also be in the minutes.

Current Tax Collection Fund

Property taxes collected were distributed to taxing units prior to the end of the fiscal year. We commend the Treasurer for the handling of this function. Receipts were filed in order of payment, bundled by deposit and supported by computer generated documents. Deposits were made approximately weekly and intact. Distributions to taxing units were made on a timely basis during the collection period.

Schedule 3 reflects the amount levied, collected and returned delinquent for the 2003 property tax levy.

Tobin & Co.

Comments and Recommendations

Property Tax Administration Fees

As permitted by statute, an administration fee of 1% was levied on all 2003 property taxes. This fee may be used only to offset such property tax administration costs as assessing, collecting and the review and appeal process. As reflected on Schedule 4, costs exceeded fee collections by \$12,935 for the audit year.

Payroll Procedures

Payroll records and procedures were acceptable. Income tax and Social Security/Medicare tax withholdings appeared to be in accordance with federal and state requirements. Individual earnings records were maintained, Forms W-2 were issued to all officials and employees, and required reports were remitted on a timely basis. Quarterly payroll reports for 2003 did not appear to reconcile with W-2 Forms.

Insurance and Surety Bond Coverage

Records indicate that the Township has such insurance coverage as fire and extended coverage, general liability, errors and omissions, and workmen's compensation. Coverage was reviewed during the audit year as indicated in the Board minutes. The Clerk, Treasurer, and their deputies have surety bond coverage.

General Fixed Assets

General Fixed Assets consist of the cost or acquisition value of the land, buildings and equipment owned by Cleveland Township. During the year, the Township acquired no new fixed assets. There were no disposals during the year.

Other Data

We were pleased to note the use of interest bearing depository accounts and the purchase of certificates of deposit which resulted in earned interest of \$2,124 for the audit year. This is a material amount for this township. Efforts in this important area are commendable.

A Statement of General Fixed Assets (land, buildings, equipment) is presented in Note 4. An inventory should be taken annually.

After the completion of our audit, we will mail the necessary copies of our report to the State Department of Treasury.

We again commend the Clerk and Treasurer for the condition of their records. We also appreciate the courtesy extended our field examiner in the conduct of the audit.

Your confidence is respected. Please contact us if questions arise or assistance is needed.

FINANCIAL SECTION

Tobin & Co.

REPORT OF INDEPENDENT AUDITOR

To the Township Board
Cleveland Township
Leelanau County
Maple City, Michigan 49664

We have audited the general purpose financial statements of Cleveland Township as of and for the year ended March 31, 2004, as listed in the Table of Contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly in all material respects, the financial position of such funds of Cleveland Township at March 31, 2004, and the results of operations in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The individual fund and account group financial statements and schedules listed in the Table of Contents are presented for the purposes of additional analysis and are not a required part of the general purpose financial statements of Cleveland Township. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Tobin & Co., P.C.

TOBIN & CO., P.C.
Certified Public Accountants
September 13, 2004

Tobin & Co.

Cleveland Township

Exhibit A

Combined Balance Sheet – All Fund Types and Account Groups

March 31, 2004

	Governmental <u>Fund Type</u> General <u>Fund</u>	Fiduciary <u>Fund</u> <u>Agency</u>	Account <u>Group</u> General Fixed <u>Assets</u>	Total (Memo Only)
<u>Assets</u>				
Cash in Bank	\$ 150,194	\$ 635	\$ -	\$ 150,829
Taxes Receivable-Delinquent	7,402	-	-	7,402
Land and Improvements	-	-	108,236	108,236
Buildings and Improvements	-	-	101,900	101,900
Furniture and Equipment	-	-	27,279	27,279
Total Assets	<u>\$ 157,596</u>	<u>\$ 635</u>	<u>\$ 237,415</u>	<u>\$ 395,646</u>
<u>Liabilities and Fund Equity</u>				
Liabilities:				
Payroll Withholdings and Pension Payable	\$ 2,898	\$ -	\$ -	\$ 2,898
Deferred Revenue	7,402	-	-	7,402
Undistributed Taxes and Interest	-	635	-	635
Total Liabilities	<u>10,300</u>	<u>635</u>	<u>-</u>	<u>10,935</u>
Fund Equity:				
Investment in General Fixed Assets	-	-	237,415	237,415
Fund Balance	<u>147,296</u>	<u>-</u>	<u>-</u>	<u>147,296</u>
Total Fund Equity	<u>147,296</u>	<u>-</u>	<u>237,415</u>	<u>384,711</u>
Total Liabilities and Fund Equity	<u>\$ 157,596</u>	<u>\$ 635</u>	<u>\$ 237,415</u>	<u>\$ 395,646</u>

The Notes to the Financial Statements are an integral part of this statement

Tobin & Co.

Cleveland Township

Exhibit B

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types

For the Year Ended March 31, 2004

	<u>General Fund</u>
<u>Revenues</u>	
Taxes	\$ 61,596
Licenses and Permits	1,299
State Grants	70,653
Charges for Services	8,284
Interest and Rents	2,474
Other	<u>1,873</u>
Total Revenues	<u>146,179</u>
<u>Expenditures</u>	
Legislative	6,776
General Government	57,798
Public Safety	46,773
Public Works	17,000
Recreation and Culture	592
Other	9,053
Capital Outlay	<u>-</u>
Total Expenditures	<u>137,992</u>
<u>Excess Revenues (Expenditures)</u>	8,187
<u>Fund Balance</u> – Beginning of Year	<u>139,109</u>
<u>Fund Balance</u> – End of Year	<u>\$ 147,296</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Exhibit C

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

General Fund

For the Year Ended March 31, 2004

	<u>General Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes	\$ 62,000	\$ 61,596	\$ (404)
Licenses and Permits	2,000	1,299	(701)
State Grants	74,000	70,653	(3,347)
Charges for Services	10,000	8,284	(1,716)
Interest and Rents	2,000	2,474	474
Other	<u>2,500</u>	<u>1,873</u>	<u>(627)</u>
Total Revenues	<u>152,500</u>	<u>146,179</u>	<u>(6,321)</u>
<u>Expenditures</u>			
Legislative	9,400	6,776	2,624
General Government	62,550	57,798	4,752
Public Safety	53,350	46,773	6,577
Public Works	12,000	17,000	(5,000)
Recreation and Culture	2,100	592	1,508
Other	12,300	9,053	3,247
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>151,700</u>	<u>137,992</u>	<u>13,708</u>
<u>Excess Revenues (Expenditures)</u>	<u>\$ 800</u>	<u>8,187</u>	<u>\$ 7,387</u>
<u>Fund Balance – Beginning of Year</u>		<u>139,109</u>	
<u>Fund Balance – End of Year</u>		<u>\$ 147,296</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Cleveland Township is a general law township located in Leelanau County. Population as of the 2000 census was 1,040, the current state equalized valuation for taxable property is \$134,150,467, and the taxable valuation is \$73,382,151.

The financial statements of the Township include those of separately administered organizations that are controlled by or dependent on the Township. Control or dependence is determined on the basis of oversight responsibility, fiscal dependency and whether the financial statements would be misleading if data were not included as outlined in GASB Statement #14.

Based on the above criteria, there are no other organizations included in these financial statements.

B. Basis of Presentation

The financial activities of the Township are recorded in separate self-balancing funds and account groups, categorized and described as follows:

Governmental Funds

General Fund – This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the Township. Revenues are derived primarily from property taxes, state distributions or grants, and other intergovernmental revenues.

Special Revenue Funds

These funds are used to account for specific governmental revenues (other than special assessments and major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Fiduciary Funds

These funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Tobin & Co.

Cleveland Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Account Groups

General Fixed Assets -- This account group presents the fixed assets of the Township utilized in its general operations (non-proprietary fixed assets).

C. Basis of Accounting

All governmental and agency funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized when received in cash except for those susceptible to accrual, which are recorded as receivables when measurable and as revenue when available to finance current operations. Significant revenues susceptible to accrual include property taxes, expenditure reimbursement-type grants, certain intergovernmental revenues, and operating transfers. Expenditures are recorded when the liability is incurred, except for interest on long-term debt, which is recorded when paid.

D. Measurement Focus

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

E. Budgets

The General Fund and Special Revenue Fund are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the Township Board.

In the body of the financial statements, the Township's actual and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets for these funds were adopted to the activity or cost center level.

Tobin & Co.

Cleveland Township

Notes to Financial Statements

March 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fixed Assets

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain general fixed assets consisting of roads, bridges, curbs, gutters, streets, sidewalks, drainage systems and lighting systems are excluded from general fixed assets because such items are immovable and of value only to the Township. General fixed assets are not subject to annual depreciation expense.

Fixed assets are recorded at historical cost. Donated fixed assets are valued and recorded at the fair market value at date of receipt.

G. Property Tax Procedures and Collections

Properties are assessed as of December 31 and the related property taxes become a lien the following July 1 and/or December 1. Real property taxes are collected by the Township Treasurer through February 28 of each year. As of March 1, uncollected real property taxes are returned delinquent to, and collected by, the County Treasurer. Personal property taxes remain the responsibility of the Township Treasurer to collect. It is the policy of the Township to record the real property taxes in the year of levy.

During the collection period prior to March 1, the Township Treasurer makes distribution of the property tax collections to the various taxing units (County, School District, etc.) as required by statute.

H. Investments

There were no investments at March 31, 2004.

I. Total Column

The "total" columns on the combined financial statements are captioned "memo only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Inter-fund transactions have not been eliminated in the aggregation of this data.

Tobin & Co.

Cleveland Township

Notes to Financial Statements

March 31, 2004

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

- A. We noted no violations of legal provisions and/or contractual provisions of various agreements related to financial matters.
- B. All funds had positive fund balances at March 31, 2004.
- C. Public Act 621 of 1978, Section 18, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended March 31, 2004 four cost centers had expenditures in excess of budgeted amounts.

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS

A. Legal Provisions for Deposits and Investments

Act 20, Public Acts of 1943, as amended by Act 217, Public Acts of 1982, and Act 196, Public Acts of 1997, states that the Township, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- (1) In bonds and other direct obligations of the United States or an agency or instrumentality of the United States.
- (2) In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank which is a member of the Federal Deposit Insurance Corporation or a savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or a credit union which is insured by the National Credit Union Administration, but only if the bank, savings and loan association, or credit union complies with subsection (2).
- (3) In commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and which matures not more than 270 days after date of purchase.
- (4) In investment grade obligations of the State of Michigan or its political subdivision.
- (5) In United States government or federal agency obligation repurchase agreements.
- (6) In bankers' acceptances of United States banks.

Tobin & Co.

Cleveland Township

Notes to Financial Statements

March 31, 2004

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS (Continued)

A. Legal Provisions for Deposits and Investments (Continued)

(7) In mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

B. Types of Deposits and Investments

The Township had approximately \$156,733 deposited with local banks at March 31, 2004 with a carrying value of \$150,829. Interpreting the FDIC insurance coverage of \$100,000 of demand deposits and \$100,000 of time deposits per financial institution, the Township had uninsured deposits of \$49,153 at March 31, 2004.

NOTE 4 - STATEMENTS OF CHANGES IN GENERAL FIXED ASSETS

	<u>3/31/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>3/31/04</u>
Land and Improvements	\$ 108,236	\$ -	\$ -	\$ 108,236
Buildings and Improvements	101,900	-	-	101,900
Machinery, Equipment and Office Equipment	<u>27,279</u>	<u>-</u>	<u>-</u>	<u>27,279</u>
Total	<u>\$ 237,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,415</u>

NOTE 5 - LONG-TERM DEBT

The Township has no long-term debt at March 31, 2004, and no borrowing is anticipated in the future.

NOTE 6 - LOANS AND ADVANCES BETWEEN FUNDS

There were no such loans or advances during the audit year.

NOTE 7 - INVENTORIES

Cleveland Township does not maintain a substantial inventory of supplies or materials. Purchases are normally made as needed, and the items are recorded as expenses when purchased.

Tobin & Co.

Cleveland Township

Notes to Financial Statements

March 31, 2004

NOTE 8 - RETIREMENT PLAN

The Township has a defined contribution pension plan for Michigan Township employees. Listed below is a summary of the significant plan provisions of the plan:

A. Eligibility Requirements

1. Attained age of 18 and not more than 75.
2. No minimum service requirement.
3. All elected officials and full-time and part-time employees.

B. Contributions

1. 10% of annual compensation if funded annually – 7% by the Township and 3% by the employees.
2. Compensation determined by the basic annual rate of compensation in effect at the beginning of the plan year.
3. Township pays 70% of required annual contributions.

C. Vesting

1. Contributions are vested to the employee immediately upon early retirement, termination of service, death, disability, or normal retirement at age 65.

D. Plan Administration

1. The plan is administered by the Township Clerk. During the year ended March 31, 2004, the total Township contribution for the plan year, April 1, 2003 to March 31, 2004 was \$1,063. Covered payroll for the year was \$35,432 with total payroll of \$44,529 for all employees. The plan was funded at the required contribution amount.

NOTE 9 - ACCOUNTS/TAXES RECEIVABLE

The \$7,402 in Delinquent Taxes Receivable in the General Fund represents 2003 property taxes returned delinquent to the County Treasurer for collection. Revenue recognition is deferred until the taxes are received because the funds were not available for expenditures or obligations of the audit year.

NOTE 10- CONTINGENT LIABILITIES

Township officials are not aware of any significant contingent liabilities of the Township.

Tobin & Co.

Cleveland Township

Notes to Financial Statements

March 31, 2004

NOTE 11- COMPENSATED ABSENCES

The Township has no compensated absence obligations at March 31, 2004.

NOTE 12- RISK MANAGEMENT

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the audit year the Township addressed these risks through the purchase of commercial insurance through Municipal Underwriters of Michigan. There was no significant reduction of insurance coverage from prior years nor have the amounts of any settlements exceeded insurance coverage in any of the past three fiscal years.

SUPPLEMENTAL DATA SECTION

Tobin & Co.

Cleveland Township

Schedule 1

Page 1

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues</u>			
Taxes:			
Current Property Taxes	\$ 45,000	\$ 42,005	\$ (2,995)
Delinquent Property Taxes	4,000	3,691	(309)
Property Tax Administration Fees	13,000	15,900	2,900
Licenses and Permits	2,000	1,299	(701)
State Grants:			
State Shared Revenues	74,000	70,653	(3,347)
Charges for Services	2,000	1,695	(305)
Summer Tax Fees	7,000	6,527	(473)
Sales and Other	1,000	62	(938)
Interest and Rents:			
Interest	1,000	2,124	1,124
Rents and Royalties	1,000	350	(650)
Other:			
Refunds and Reimbursements	<u>2,500</u>	<u>1,873</u>	<u>(627)</u>
Total Revenues	<u>152,500</u>	<u>146,179</u>	<u>(6,321)</u>
<u>Expenditures</u>			
Legislative:			
Township Board:			
Salaries and Wages	-	1,610	-
Legal Services	-	2,875	-
Association Dues	-	1,476	-
Printing and Publishing	-	623	-
Supplies, Mileage and Other	<u>-</u>	<u>192</u>	<u>-</u>
Total Legislative	<u>9,400</u>	<u>6,776</u>	<u>2,624</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Schedule 1

Page 2

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
General Government:			
Township Supervisor:			
Salaries and Wages	-	8,120	-
Supplies	-	37	-
Mileage and Travel	-	122	-
Total	<u>8,920</u>	<u>8,279</u>	<u>641</u>
Elections:			
Salaries and Wages	-	633	-
Maintenance, Supplies & Misc.	-	330	-
Total	<u>-</u>	<u>963</u>	<u>(963)</u>
Assessor:			
Salaries and Wages – Contractual	-	11,000	-
Supplies	-	595	-
Education & Misc.	-	520	-
Total	<u>12,400</u>	<u>12,115</u>	<u>285</u>
Clerk:			
Salaries and Wages	-	10,515	-
Supplies	-	418	-
Travel	-	185	-
Education, Training & Misc.	-	83	-
Total	<u>11,400</u>	<u>11,201</u>	<u>199</u>
Board of Review:			
Salaries and Wages	-	750	-
Printing and Publishing	-	208	-
Total	<u>680</u>	<u>958</u>	<u>(278)</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Schedule 1

Page 3

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
General Government:			
Treasurer:			
Salaries and Wages	-	14,462	-
Supplies and Postage	-	2,731	-
Travel	-	324	-
Total	<u>19,650</u>	<u>17,517</u>	<u>2,133</u>
Township Hall and Grounds:			
Salaries and Wages	-	126	-
Supplies	-	348	-
Contracted Services	-	20	-
Telephone	-	1,414	-
Public Utilities	-	1,545	-
Maintenance and Repairs	-	454	-
Total	<u>7,400</u>	<u>3,907</u>	<u>3,493</u>
Cemetery:			
Salaries and Wages	-	1,400	-
Contractual Services	-	1,371	-
Supplies	-	87	-
Public Utilities	-	-	-
Maintenance and Repairs	-	-	-
Total	<u>2,100</u>	<u>2,858</u>	<u>(758)</u>
Total General Government	<u>62,550</u>	<u>57,798</u>	<u>4,752</u>
Public Safety:			
Fire and Ambulance:			
Contractual Services	-	38,500	-
Total	<u>40,000</u>	<u>38,500</u>	<u>1,500</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Schedule 1

Page 4

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
Public Safety (Continued):			
Planning and Zoning:			
Salaries and Wages	-	7,585	-
Supplies	-	158	-
Printing	-	418	-
Telephone	-	20	-
Travel	-	42	-
Miscellaneous	-	50	-
Total	<u>13,350</u>	<u>8,273</u>	<u>5,077</u>
Total Public Safety	<u>53,350</u>	<u>46,773</u>	<u>6,577</u>
Public Works:			
Roads	<u>12,000</u>	<u>17,000</u>	<u>(5,000)</u>
Total Public Works	<u>12,000</u>	<u>17,000</u>	<u>(5,000)</u>
Recreation and Culture:			
Parks and Recreation:			
Contracted Services	-	463	-
Repairs and Maintenance	-	129	-
Total Recreation and Culture	<u>2,100</u>	<u>592</u>	<u>1,508</u>
Other:			
Insurance and Bonds	6,000	4,865	1,135
Social Security and Medicare	800	645	155
Contingency and Miscellaneous	2,500	-	2,500
Pension	<u>3,000</u>	<u>3,543</u>	<u>(543)</u>
Total Other	<u>12,300</u>	<u>9,053</u>	<u>3,247</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Schedule 1

Page 5

Statement of Revenues, Expenditures and Changes in Fund Balance

General Fund

For the Year Ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Expenditures (Continued)</u>			
Total Expenditures	<u>151,700</u>	<u>137,992</u>	<u>13,708</u>
<u>Excess Revenues (Expenditures)</u>	<u>\$ 800</u>	<u>8,187</u>	<u>\$ 7,387</u>
<u>Fund Balance</u> – Beginning of Year		<u>139,109</u>	
<u>Fund Balance</u> – End of Year		<u>\$ 147,296</u>	

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Schedule 2

Statement of Changes in Assets and Liabilities

Current Tax Collection Fund

For the Year Ended March 31, 2004

	<u>3/31/03</u>	<u>Additions</u>	<u>Deductions</u>	<u>3/31/04</u>
<u>Assets</u>				
Cash	\$ <u>537</u>	\$ <u>1,480,799</u>	\$ <u>1,480,701</u>	\$ <u>635</u>
Total Assets	\$ <u>537</u>	\$ <u>1,480,799</u>	\$ <u>1,480,701</u>	\$ <u>635</u>
 <u>Liabilities</u>				
Undistributed Taxes and Interest	\$ <u>537</u>	\$ <u>1,480,799</u>	\$ <u>1,480,701</u>	\$ <u>635</u>
Total Liabilities	\$ <u>537</u>	\$ <u>1,480,799</u>	\$ <u>1,480,701</u>	\$ <u>635</u>

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Schedule 3

2003 Property Tax Levy and Collections

For the Year Ended March 31, 2004

	<u>Millage Rate</u>	<u>Levy</u>	<u>Collected</u>	<u>Returned Delinquent</u>
County Tax	3.9648	\$ 290,984	\$ 256,000	\$ 34,984
County Seniors	0.2672	19,604	17,247	2,357
County Road	0.4859	35,655	31,368	4,287
County BATA	0.3500	25,681	22,594	3,087
School District – Glen Lake				
Operating	15.0696	138,834	133,363	5,471
Debt	1.1500	27,902	25,983	1,919
School District – Leland				
Operating	10.9013	341,840	288,154	53,686
Debt	2.3000	112,930	101,622	11,308
Intermediate School District				
TBA	2.9929	219,572	199,862	19,710
State Education Tax	5.0000	366,830	339,073	27,757
Township Taxes:				
General	0.6504	47,729	41,991	5,738
Property Tax Administration Fee		<u>16,232</u>	<u>14,568</u>	<u>1,664</u>
Total		<u>\$ 1,643,793</u>	<u>\$ 1,471,825</u>	<u>\$ 171,968</u>
State Equalized Value	\$134,150,467			
Taxable Value	\$73,382,151			
Percent of Levy Collected	89.54%			

The Notes to the Financial Statements are an integral part of this statement.

Tobin & Co.

Cleveland Township

Schedule 4

Statement of Revenues and Expenditures

Property Tax Administration Fees

For the Year Ended March 31, 2004

Revenues

Property Tax Administration Fees	\$ 15,900
Total	<u>15,900</u>

Expenditures

Supervisor Expense	3,000
Assessor Expense	12,115
Board of Review	958
Treasurer Expenses 70%	12,262
Use of Building, Equipment, Etc.	<u>500</u>
Total	<u>28,835</u>

Excess Revenues (Expenditures) (12,935)

Excess Revenues (Expenditures) – Prior Years (131,783)

Excess Revenues (Expenditures) – Accumulated \$ (144,718)

The Notes to the Financial Statements are an integral part of this statement.